

Metropolitan Estate  
and Property Corporation Limited



Annual Report and Accounts  
1967



**Chairman's Statement**

**Directors' Report and Accounts**

**for the Year ended**

**30th September, 1967**

SUTTON  
HOUSE



# METROPOLITAN ESTATE AND PROPERTY CORPORATION LIMITED

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## Board of Directors

C. E. M. HARDIE, C.B.E., F.C.A., *Chairman*

J. SCRIMGEOUR, C.M.G., O.B.E.  
A. KENNEDY KISCH, M.A.

R. H. SHEPPARD, F.A.I., *Managing Director*

SIR NUTCOMBE HUME, K.B.E., M.C.

R. J. DICKINSON, M.A.

W. E. PHILP, F.R.I.C.S., F.A.I.

J. C. HAWKES, F.R.I.C.S.

M. R. CREASEY, F.A.I.

BERNARD DUFTON, F.C.A.

## Secretary and Registered Office

A. L. CROWE, F.C.A.

Brook House, 113 Park Lane, London, W.1.

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## Auditors

THOMSON McLINTOCK & CO.

Chartered Accountants, 33 King William Street, London, E.C.4.

## Registrars and Transfer Office

MARTINS BANK LIMITED

Clements House, Gresham Street, London, E.C.2.

## Bankers

LLOYDS BANK LIMITED

MARTINS BANK LIMITED

NATIONAL PROVINCIAL BANK LIMITED

# METROPOLITAN ESTATE AND PROPERTY CORPORATION LIMITED

## Notice of Meeting

Notice is hereby given that the ANNUAL GENERAL MEETING of the Company will be held at Brook House, 113 Park Lane, London, W.1, on Thursday, 21st December, 1967, at 12 noon for the following purposes:-

### *Ordinary Business:*

- 1 To receive and adopt the Balance Sheet and Statement of Accounts as at 30th September, 1967, and the Report of the Directors thereon.
- 2 To declare a Final Dividend on the Ordinary Share Capital.
- 3 To re-elect Directors.
- 4 To authorise the Directors to fix the remuneration of the Auditors.

### *Special Business:*

- 5 As special business to consider and, if thought fit, pass the following Resolution, which will be proposed as a Special Resolution of the Company:

### *Special Resolution*

“That the maximum number of Directors of the Company be increased from ten to fifteen and, accordingly, that Article 79 of the Articles of Association of the Company be altered by the deletion of the words ‘the Directors shall not be less than three nor more than ten in number’ and the substitution therefor of the words ‘the Directors shall not be less than three nor more than fifteen in number.’”

*A Member of the Company who is entitled to attend and vote may appoint a proxy or proxies to attend and, on a poll, to vote in his stead. A proxy need not be a Member of the Company.*

*By Order of the Board,*

**A. L. CROWE**

*Secretary.*

London W.1

28th November, 1967.

{  
These Accounts are sent to Preference and Debenture Stockholders  
for information only. They are not entitled as a right to attend or  
vote, either in person or by proxy, at the above-mentioned meeting.  
}

# Report of the Directors for the year ended 30th September, 1967

To be presented to the Annual General Meeting of the Company at Brook House, 113 Park Lane, London, W.1, on 21st December, 1967.

	1966	1967
	£	£
		The Group income after charging all expenses other than interest but before providing amortisation and taxation was . . . . .
4,922,081		5,801,660
1,632,092	Interest payable amounted to . . . . .	2,027,403
131,296	<i>Less:</i> Amount applicable to properties held for or in course of development . . . . .	85,381
1,500,796		1,942,022
3,421,285		3,859,638
95,933		92,293
3,325,352		3,767,345
		Deduct Taxation for the year:
633,972	Corporation tax . . . . .	1,323,548
222,758	Profit tax . . . . .	—
628,459	Income tax . . . . .	—
—	Overseas taxation . . . . .	55,327
88,100	Transfer to overseas taxation equalisation account . . . . .	95,500
1,573,289		1,474,375
6,824	<i>Less:</i> Adjustment in respect of previous years . . . . .	15,885
1,566,465		1,458,490
1,758,887	<i>Net profit for the year</i>	2,308,855
92,135	Profit attributable to outside interests in subsidiaries . . . . .	141,177
1,666,752		2,167,678
		Deduct:
46,686	Profit on dealing after Tax, transferred to Reserve . . . . .	5,661
162,984	Appropriated to Canadian Properties Reserve . . . . .	201,503
209,670		207,164
1,457,082		1,960,514
97,543	Dividends paid or payable for the year	
	Preference . . . . .	97,543
		Ordinary:
612,779	(4%) Interim (4%) paid 24th June, 1967 . . . . .	612,779
1,148,961	(7½%) Proposed Final (8%) payable 21st December, 1967 . . . . .	1,225,559
1,859,283		1,935,881
452,604	<i>Less:</i> Income Tax retained . . . . .	—
1,406,679		1,935,881
50,403		24,633
693,641	Add balance brought forward from previous year . . . . .	744,044
—	Less adjustment due to issue of shares in a subsidiary to outside interests . . . . .	1,449
693,641		742,595
£744,044	Balance to carry forward . . . . .	£767,228

The Directors retiring by rotation in accordance with the provisions of the Company's Articles of Association are Mr. C. E. M. Hardie, C.B.E., Mr. R. J. Dickinson and Mr. J. C. Hawkes and they offer themselves for re-election.

The Auditors, Messrs. Thomson McLintock & Co. have intimated their willingness to continue in office and a Resolution will be proposed at the forthcoming Annual General Meeting concerning their remuneration.

By Order of the Board,

A. L. CROWE,  
*Secretary.*

London, W.1.  
28th November, 1967.

## Information

The 6th April, 1965 'Budget Day Prices' of the Company's quoted Share and Loan Capital for Capital Gains purposes were as follows:—

Ordinary Shares of 5s. each . . . . .	9s. 9d.
4½% Preference Stock (£1 units) . . . . .	12s. 6d.
4% First Mortgage Debenture Stock . . . . .	£63 per £100 Stock
5¾% First Mortgage Debenture Stock . . . . .	£85 per £100 Stock



Mr. C. E. M. Hardie, C.B.E., F.C.A.,  
Chairman



Mr. R. H. Sheppard, F.A.I.,  
Managing Director

## *Statement of the Chairman*

ONCE again I am pleased to report an improved result for the financial year ended 30th September, 1967. Gross rents and other income have increased by 17% to £7,509,000 and after meeting all charges, including interest, the profit before tax has increased from £3,325,000 to £3,767,000. The amount available from the year's operations for appropriation is £2,168,000 (£1,667,000). This year, however, there is no relief from tax retained from dividends (last year £452,604). Nevertheless, it is proposed, owing to the improved results, to pay an increased final dividend of 8% less Income Tax. This, with the interim dividend of 4% paid on 24th June, 1967, makes 12% for the year, compared with 11½% for the previous year. In calculating the above figures provision has been made for Corporation Tax at 40% but as regards the last six months of the year, the rate will now be 42½% in view of the recent Government proposals for an increase in the 1968 Budget.

These results reflect the anticipated growth following a continuation of our Investment policy, which is now firmly established, namely, within our borrowing powers steadily to invest in varied types of shop, office, and industrial premises showing suitable yields and prospects of Capital appreciation. Having regard to the 21 years of the Company's existence leases are now regularly falling in for renewal at higher rents. This indeed is a major source of strength to the Company.

As a result of the year's transactions the gross assets of the Group have increased from £71,261,000 to £77,795,000, including net property investment in the United Kingdom of £4,114,000, and in Canada £2,946,000, and Ireland £837,000. The resources which have made this investment policy possible have stemmed, in the main, from loan

capital raised in Canada and further drawings upon our 6¾% First Mortgage Debenture with The Prudential Assurance Co. Ltd., of which £5,750,000 still remained to be drawn at the end of the financial year. This sum will certainly carry us through the next financial year, subject to any major transactions which may emerge, and in the meantime an examination has been made of existing Borrowing Powers and requirements so that future finance can now be arranged for subsequent growth.

At the Annual General Meeting, the opportunity is being taken to increase to 15 the number of Directors authorised by the Articles. This will provide scope for expansion of the Board and allow for a suitable proportion of part-time and full-time Directors.

The position of the Canadian Company is summarised at the end of this document, and its continued growth by the acquisition of additional investment properties is once again a cause for gratification. Export of Capital for this subsidiary is inhibited at the present time by currency regulations and the high cost of premium Dollars, but it is calculated that it has sufficient resources generated within Canada, by continuing to pledge the remainder of its portfolio, to cover requirements for the next financial year.

In Ireland we have continued to invest in properties, particularly those with growth promise, and the gross assets now amount to £2,023,000. The cash investment of the Parent Company totals £1 million and is supported by a facility from the Friends' Provident and Century Life Office of a further £2 million.

In the United Kingdom, owing to the growing

tendency of financial institutions to invest directly in property (in order to avoid the depredations of Corporation Tax), the competition for available office, shop and industrial properties of good quality has become keen. We are able, nevertheless, to obtain a continuing flow of investments suitable for our portfolio, owing to our well established connections and the ability, as a result of our Management procedures, to make firm offers for properties at short notice. This is a welcome feature to intending vendors, not always available from less streamlined organisations. Nevertheless, it is useful to have other outlets for investments, both in Canada and Ireland, which can be used if the market gets out of hand in this country.

The continuing progress of your Company is due, of course, to the high standard of Management which has been developed under the guidance of Mr. Sheppard in the United Kingdom, ably supported by Mr. Anker, the President of the Canadian Company, and Mr. Kennedy Kisch in Ireland. There are the closest links between these three territories and all our senior staff participate in investment decisions. We celebrated this year the twenty-first anniversary of the present holding Company, but of course the component parts of the

Corporation go back further than this into the early 1920s. We have an excellent staff and I am glad to say there is a new generation under development to continue the good work.

We have continued to examine various companies for potential acquisition but, so far, none suitable to our requirements has emerged. We do not wish to make such a move purely for the sake of incidental once-and-for-all Capital reorganisation, but concurrently with our continued policy of increasing investment we intend to follow up every opportunity which may offer, now that the general climate of property companies has been more clearly established, following the Taxation innovations of two years ago.

The vital role played by property investment companies in the commercial life of Great Britain is often underestimated. They occupy a more important place in the economy of our country than in any other, and provide a medium through which industry and commerce can obtain capital on terms advantageous to both tenants and landlords. It is to be hoped that the government will recognise this valuable contribution to productive investment in their taxation policies.





# METROPOLITAN ESTATE AND P

## Balance Sheet of the Company and Consolidated Balance Sheet of

	M.E.P.C. LTD.		GROUP
	1967	1966	1967
	£	£	£
<b>Authorised share capital</b>			
Ordinary capital (in shares of 5/- each)	17,500,000	17,500,000	
4½% Cumulative Preference capital (in shares of £1 each)	2,500,000	2,500,000	
	<b>£20,000,000</b>	<b>£20,000,000</b>	
<b>Issued share capital and reserves</b>			
Ordinary capital (fully paid)	15,319,478	15,319,478	15,319,478
Capital reserves			
General—note 3	2,860,380	2,780,304	7,287,972
Share premiums	7,439,376	7,439,376	7,439,376
	<b>10,299,756</b>	<b>10,219,680</b>	<b>14,727,348</b>
Revenue reserves			
Dealing profits	130,105	124,444	130,105
Unappropriated profit	395,813	380,829	767,228
	<b>525,918</b>	<b>505,273</b>	<b>897,333</b>
<i>Ordinary capital and reserves</i>	<b>26,145,152</b>	<b>26,044,431</b>	<b>30,944,159</b>
Preference capital (fully paid)	2,167,631	2,167,631	2,167,631
	<b>28,312,783</b>	<b>28,212,062</b>	<b>33,111,790</b>
<b>Future taxation</b>			
Taxation equalisation account (overseas)	—	—	524,400
			428,900
<b>Outside interests in subsidiary companies</b>			2,358,683
<b>Loan capital</b>			2,290,954
4% First mortgage debenture stock 1996	2,953,852	3,014,899	2,953,852
5½% First mortgage debenture stock 1984/89	5,000,000	5,000,000	5,000,000
6½% First mortgage debenture stock 1997/2000—note 5	6,250,000	4,000,000	6,250,000
Mortgages not repayable within five years	1,134,433	931,310	7,264,455
Debenture stocks and bonds of subsidiaries—note 4	—	—	10,883,386
	<b>15,338,285</b>	<b>12,946,209</b>	<b>32,351,693</b>
Mortgages repayable within five years	—	—	1,745,144
	<b>15,338,285</b>	<b>12,946,209</b>	<b>34,096,837</b>
<b>Subsidiary companies</b>			28,878,563
Advances (without security)	9,086,717	8,660,769	—
<b>Provision for repairs, renewals of fixed plant and dilapidations</b>	<b>282,676</b>	<b>271,010</b>	<b>257,555</b>
<b>Current liabilities</b>			310,919
Loans from bankers	631,703	335,384	1,579,446
Creditors and accrued charges	1,456,432	1,041,196	2,542,311
Current taxation	987,159	557,413	2,098,829
Proposed final ordinary dividend	1,225,559	1,148,961	1,225,559
	<b>4,300,853</b>	<b>3,082,954</b>	<b>7,446,145</b>
	<b>£57,321,314</b>	<b>£53,173,004</b>	<b>£77,795,410</b>
			£71,260,663

The Notes appearing on page

# PROPERTY CORPORATION LIMITED



the Company and Subsidiary Companies at 30th September, 1967

	M.E.P.C. LTD.			GROUP	
	1967	1966	1967	1966	1966
	£	£	£	£	£
<b>Fixed assets</b>					
Properties at valuation or at cost—note 1:					
Freehold, <i>less</i> depreciation reserve [£173,060 (Group: £1,276,343)—note 2]	19,667,232	17,907,422		54,989,980	48,580,908
Leasehold—Over 50 years unexpired	9,399,512	9,077,176	15,043,956		14,281,001
Under 50 years unexpired	1,277,109	267,107	2,213,587		2,233,701
	10,676,621	9,344,283	17,257,543		16,514,702
Less: Provision for amortisation	313,820	261,533	592,419		534,889
	10,362,801	9,082,750		16,665,124	15,979,813
	30,030,033	26,990,172		71,655,104	64,560,721
Investment—£310,056 nominal of the Corporation's first mortgage debenture stock, at cost . . . . .	257,101	192,287		257,101	192,287
(Market value £199,539)					
Capital redemption policies at surrender values	273,046	331,852		273,046	331,852
Funds for re-investment held by debenture trustees	147,793	22,972		159,793	22,972
Furniture and fittings, office machinery, and motor cars at cost, <i>less</i> depreciation [£46,429 (Group: £59,746)]	48,101	39,441		66,312	57,871
	30,756,074	27,576,724		72,411,356	65,165,703
<b>Subsidiary companies</b>					
Shares at cost, <i>less</i> amounts written off—(£26,060) . . . . .	15,457,710	15,453,582			
Advances and dividends receivable . . . . .	7,569,869	6,615,013			
	23,027,579	22,068,595			
<b>Interests in associated companies</b>					
Shares at cost (unquoted) . . . . .	3,566	3,566	3,567		3,567
Loans . . . . .	1,293,396	1,002,776	1,442,626		1,152,074
	1,296,962	1,006,342		1,446,193	1,155,641
<b>Current assets</b>					
Loans (secured) . . . . .	244,210	703,308	896,847		1,405,682
Debtors for rents and sundry balances, <i>less</i> provision for doubtful debts . . . . .	1,181,140	847,279	1,600,766		1,336,753
Tax reserve certificates . . . . .	800,000	816,443	800,000		816,443
Bank and cash balances and short term deposits . . . . .	1,345	140,309	318,211		1,082,454
	2,226,695	2,507,339		3,615,824	4,641,332
<b>Outgoings in respect of properties under development</b>					
	14,004	14,004		322,037	297,987
CHARLES E. M. HARDIE } Directors. RICHARD H. SHEPPARD }					
	£57,321,314	£53,173,004		£77,795,410	£71,260,663

an integral part of the Accounts.

# METROPOLITAN ESTATE AND PROPERTY CORPORATION LIMITED

**Consolidated Revenue Account of the Company and Subsidiary Companies  
for the year ended 30th September, 1967**

*The Notes appearing on page 11 form an integral part of the Accounts.*

## Notes on the Accounts

**1. The gross values of the properties in the Balance Sheets are:**

	M.E.P.C. Ltd.	Group
	£	£
UNITED KINGDOM		
At valuation by Messrs. Knight, Frank & Rutley, at 30.9.60 . . . . .	15,717,890	18,720,874
At valuation by directors of Town Investments Limited, at 30.9.59 . . . . .	—	8,727,818
At valuation for mortgage purposes by directors of subsidiary companies at 30.9.66 . . . . .	—	2,490,287
At cost . . . . .	14,799,023	27,171,714
	30,516,913	57,110,693
OUTSIDE THE UNITED KINGDOM		
At cost . . . . .	—	16,413,173
	£30,516,913	£73,523,866
	<u>                </u>	<u>                </u>

**2. Income Tax allowances for industrial buildings, etc., are included in reserve for depreciation of freehold properties. The movements on this reserve have been:**

	M.E.P.C. Ltd.	Group
	£	£
Balance brought forward from previous year . . . . .	148,015	980,445
Transfer from capital reserve . . . . .	—	50,000
Transfer from provision for plant depreciation . . . . .	—	17,530
Income tax allowances received during the year . . . . .	25,045	26,865
Appropriated out of Canadian profits . . . . .	—	201,503
	£173,060	£1,276,343
	<u>                </u>	<u>                </u>

**3. The movements on capital reserve general have been:**

	M.E.P.C. Ltd.	Group
	£	£
Balance brought forward from previous year . . . . .	2,780,304	7,095,552
Less: Capital issue expenses . . . . .	8,714	9,011
Transfer to reserve for depreciation of freehold properties . . . . .	—	50,000
	2,771,590	7,036,541
Add: Surpluses on—		
Purchase of debenture stock for redemption . . . . .	16,904	16,904
Realisation of properties and sundry credits . . . . .	71,886	234,527
	£2,860,380	£7,287,972
	<u>                </u>	<u>                </u>

Group capital reserve includes the unrealised surplus of £1,794,922 arising from the revaluation of properties in a subsidiary company in 1959. Corporation tax will be payable on any part of this surplus which is realised.

The directors consider that any liability to capital gains tax that may have arisen on the sale of properties since 5th April, 1965, or may arise on the future sale of properties revalued since that date at sums not exceeding their current book values is likely to be immaterial. Any such liabilities arising from the above will be charged to capital reserve.

**12. The announcement of devaluation on 18th November, 1967 was made after these accounts had been prepared and the preliminary results published. The effect of converting the Canadian interests at \$2.60 instead of \$3.00 to £1 would not significantly alter the shareholders equity but the increase in Corporation Tax from 40% to 42½% announced at the same time will increase the tax chargeable by approximately £40,000.**

## Auditors' Report

We have audited the books and records of Metropolitan Estate and Property Corporation Limited for the year ended 30th September, 1967, and have obtained all the information we required. Proper books of account have been kept. The accounts of the company on pages 8 to 10 agree with the books, and together with the group accounts and notes on page 11 comply with the Companies Act, 1948. Certain of the subsidiaries have been audited by other firms of accountants.

In our opinion these accounts give a true and fair view of the state of affairs of the company, and of the state of affairs and profit of the company and its subsidiaries regarded as a single undertaking.

THOMSON McLINTOCK & CO.

Chartered Accountants

33 King William Street  
London E.C.4  
28th November, 1967

**4. Debenture stocks and bonds of subsidiary companies are:**

	£
OUTSIDE THE UNITED KINGDOM	
6½% First mortgage sinking fund bonds 1982 . . . . .	916,667
5½% First mortgage sinking fund bonds 1983 . . . . .	1,103,265
6½% First mortgage sinking fund bonds 1983 . . . . .	204,167
6½% First mortgage sinking fund bonds 1987 . . . . .	1,079,375
	3,303,474
UNITED KINGDOM	
3½% Debenture stock 1965/78 . . . . .	120,000
5½% First mortgage debenture stock 1985/90 . . . . .	2,500,000
6½% First mortgage debenture stock 1985/90 . . . . .	500,000
6% First mortgage debenture stock 1987 . . . . .	1,250,000
First mortgage debenture 1992 . . . . .	3,209,912
	<u>£10,883,386</u>

**5. The Prudential Assurance Company Limited have undertaken to subscribe for £12 million of 6½% first mortgage debenture stock over the period ending July 1970 of which £6,250,000 had been subscribed at 30th September, 1967. Stockholders will have the right to convert up to 10 per cent of the stock issued into ordinary shares of M.E.P.C. Ltd. at 10/6d. per share, the option to be exercisable in December in each of the years 1967 to 1970 inclusive.**

**6. The holders of the 6% first mortgage debenture stock 1987 issued by a subsidiary company have the right to call for repayment of £300,000 of such stock and to subscribe therewith for ordinary share capital of M.E.P.C. Ltd. as follows:**

1st January, 1968 at 20s. per share.  
1st January, 1969, 1970 and 1971 at 25s. per share.

**7. At 30th September, 1967 share purchase warrants entitling the holders to purchase common shares in M.E.P.C. Canadian Properties Limited at \$3.50 per share were outstanding as follows:**

Exercisable	Entitlement
Before 1.8.1970	96,600 shares
Before 30.6.1976	100,000 shares

Executives of M.E.P.C. Canadian Properties Limited have options to purchase 5,000 common shares at \$2.50 and 15,000 common shares at \$3.00 not later than 1st October, 1969.

The total interest of outside shareholders in this subsidiary will be 35% approximately if the rights and options are exercised in full, compared with 31% at 30th September, 1967.

**8. The assets and liabilities of the Canadian subsidiary have been converted into sterling at £1 = \$3.**

**9. Capital commitments for which provision has not been made in these accounts amount to:**

M.E.P.C. Ltd.	Group
£	£
Contracted . . . . .	810,000
Authorised but not contracted . . . . .	298,000
	2,201,000
	2,498,000

**10. In addition to commitments in (9) above M.E.P.C. Ltd. has undertaken to procure finance amounting to £1,275,000 for developments by associated companies, of which £1,023,000 has been provided out of the company's own resources at 30th September, 1967.**

**11. The holding company has contingent liabilities of £949,498 in respect of uncalled capital investments in subsidiary companies.**

# Comparative Information 1958–1967

GROUP BALANCE SHEET (£'000's)					GROUP REVENUE ACCOUNT (£'000's)					
Properties (Gross)	Loan Capital	Preference Capital	Ordinary Capital	Reserves	Gross Revenue	Profit before Taxation	Taxation	Profit available for Ordinary Dividends and Reserves	Ordinary Dividends paid	
£	£	£	£	£	£	£	£	£	£	
1958	16,675	6,824	1,525	2,683	6,015	1958	1,606	728	413	276
1959	18,644	7,239	1,525	4,025*	5,263	1959	1,712	862	424	398
1960	22,550	8,860	1,525	5,137	7,552	1960	2,157	1,168	586	540
1961	31,800†	6,779	1,525	7,939	15,365	1961	2,561	1,548	799	696
1962	46,507	13,645	2,025	15,319**	13,805	1962	4,151	2,380	1,271	1,036
1963	50,368	15,001	2,025	15,319	13,943	1963	4,499	2,552	1,336	1,125
1964	55,349	21,122	2,168	15,319	13,860	1964	4,932	2,630	1,367	1,157
1965	58,332	24,804	2,168	15,319	14,775	1965	5,552	2,957	1,554	1,266
1966	66,076	28,879	2,168	15,319	15,401	1966	6,409	3,325	1,566	1,589
1967	73,524	34,097	2,168	15,319	15,625	1967	7,509	3,767	1,458	2,070
										1,838

\*Bonus Issue of 1 for 2 required £1,341,000 Capital.

\*\*Bonus Issue of 1 for 2 required £3,969,377 Capital.

†Property Revaluation at 30-9-1960 adopted in Balance Sheet  
30-9-1961 (Surplus £5,072,000).

## Analysis of Group Properties

The Properties owned by the Group according to the Consolidated Balance Sheet at 30th September, 1967 can be divided into the following main categories (at gross book values):

UNITED KINGDOM	Freehold £	Leasehold (over 50 years unexpired) £	Leasehold (less than 50 years unexpired) £	Total £	%
Offices . . . . .	12,887,695	5,322,327	1,786,831	19,996,853	27·2
Shops . . . . .	15,127,111	4,046,776	206,256	19,380,143	26·4
Commercial and Industrial . . .	11,460,892	3,032,224	220,275	14,713,391	20·0
Residential . . . . .	1,246,428	1,773,653	225	3,020,306	4·1
	40,722,126	14,174,980	2,213,587	57,110,693	77·7
OUTSIDE THE UNITED KINGDOM					
Offices . . . . .	5,377,015	385,756	—	5,762,771	7·8
Shops . . . . .	2,845,528	101,103	—	2,946,631	4·0
Commercial and Industrial . . .	7,321,654	382,117	—	7,703,771	10·5
	£56,266,323	£15,043,956	£2,213,587	£73,523,866	100 %
Percentage of Total . . . . .	76·5 %	20·5 %	3·0 %	100 %	

*Offices and  
Industrial Premises  
at Croydon, Surrey.*



*Offices and Distribution Depot, Boreham Wood.*



**M.E.P.C. CANADIAN PROPERTIES LIMITED**



*Office development, Riverside Drive, Ottawa.*

*Premier House, Winnipeg.*



**M.E.P.C. CANADIAN PROPERTIES LIMITED**  
**AND SUBSIDIARY COMPANIES**

Summarised Balance Sheet—30th September, 1967

	Comparative 1966
<b>Fixed assets—at cost</b>	\$ 43,389,075
Less: Accumulated depreciation	2,568,957
	<hr/>
	40,820,118
<b>Loans and advances</b>	\$ 33,993,437
Advance to associated company	440,937
	<hr/>
<b>Current assets</b>	\$ 441,148
Cash and marketable securities	492,334
Rent receivable and prepaid expenses	268,340
	<hr/>
	760,674
	<hr/>
	486,587
<b>Deferred charges</b>	<hr/>
Total assets	\$ 42,508,316
	<hr/>
<b>Current liabilities</b>	\$ 37,645,191
Bank overdraft	25,472
Accounts payable, etc.	1,128,767
Taxation	120,000
	<hr/>
	1,274,239
	<hr/>
<b>Deferred income taxes</b>	500,000
	<hr/>
	1,774,239
	<hr/>
<b>Minority interests in subsidiaries</b>	10,451
	<hr/>
<b>Loan capital</b>	—
Mortgages and notes payable	26,020,920
	<hr/>
<b>Net assets</b>	\$ 14,702,706
	<hr/>
<b>Shareholders' equity</b>	\$ 14,268,143
Represented by:	
3,785,180 Common shares of no par value	9,771,679
Surplus	2,431,027
	<hr/>
	12,202,706
	<hr/>
100,000 6% Redeemable preference shares of \$25 each	11,768,143
	<hr/>
	2,500,000
	<hr/>
	\$ 14,702,706
	<hr/>
	\$ 14,268,143

**Consolidated Statement of Profit and Loss  
for the year ended 30th September, 1967**

	Comparative 1966
Rental revenue	\$ 4,213,575
	<hr/>
Less:	\$ 3,413,510
Property expenses	859,673
	<hr/>
Net rental revenue	765,876
	<hr/>
Net:	\$ 3,353,902
General and administrative expenses	259,735
	<hr/>
	194,382
	<hr/>
	3,094,167
Interest—general	2,453,252
	<hr/>
	1,517,796
	<hr/>
	1,137,522
	<hr/>
Sundry income less sundry expenses	1,576,371
	<hr/>
	87,939
	<hr/>
	—40,477
	<hr/>
	1,664,310
	<hr/>
	1,275,253
Depreciation—buildings	604,509
	<hr/>
Taxation	120,000
	<hr/>
Minority interests	7,960
	<hr/>
	732,469
	<hr/>
Net operating profit	\$ 931,841
	<hr/>

**Consolidated Statement of Surplus  
for the year ended 30th September, 1967**

	Comparative 1966
Surplus, 1st October, 1966	\$ 2,026,964
	<hr/>
Add:	\$ 1,715,155
Net operating profit	931,841
Surplus on sale of property	—
	<hr/>
	78,737
	<hr/>
	931,841
	<hr/>
	865,036
	<hr/>
	2,958,805
	<hr/>
	2,580,191
	<hr/>
Less:	
Expenses of share issue	—
	<hr/>
	224,983
Dividends paid—	
Common	377,778
Preference	150,000
	<hr/>
	527,778
	<hr/>
Surplus, 30th September, 1967	\$ 2,431,027
	<hr/>
	\$ 2,026,964

The above has been summarised from the audited Consolidated Accounts of M.E.P.C. Canadian Properties Limited and its subsidiaries.



ELLISTON & CAVELL LTD

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The activities of Metropolitan Estate and Property Corporation Limited and its subsidiary and associated companies are entirely related to property investment and development.

The Management of properties and administration of subsidiary companies in the United Kingdom is carried out by the parent company.

## PRINCIPAL SUBSIDIARY AND ASSOCIATED COMPANIES

### UNITED KINGDOM

#### Wholly owned operating Subsidiaries:

AVONDOWN PROPERTIES LIMITED  
THE BLETCHLEY PROPERTY COMPANY LIMITED  
COLUMBUS PROPERTIES LIMITED  
ELOM PROPERTIES LIMITED  
FINSBURY CIRCUS ESTATES LIMITED  
FURLONG PROPERTIES LIMITED  
HANTON HOLDINGS LIMITED  
THE HOUSE AND LAND SYNDICATE LIMITED  
THE JUNIOR PROPERTY AND INVESTMENT COMPANY, LIMITED  
KINGPOST INVESTMENT COMPANY LIMITED  
KINGSLEY INVESTMENT TRUST LIMITED  
THE MANCHESTER COMMERCIAL BUILDINGS COMPANY LIMITED  
M.E.P.C. (LIVERPOOL) LIMITED  
METROPOLITAN COMMERCIAL PROPERTY INVESTMENTS LIMITED  
ST. MARY'S ESTATE LIMITED  
SURREY SHOP HOLDINGS LIMITED  
TOWN INVESTMENTS LIMITED

#### (Wholly owned subsidiaries:

London Land & Property Company Limited  
Twenty Albert Embankment Limited  
Waddon Investments Limited)

#### Subsidiary companies partly owned:

	PROPORTION OF ORDINARY CAPITAL HELD
M.E.P.C. (PENTYRCH) LIMITED . . . . .	95%
OXENFORD PROPERTIES LIMITED . . . . .	67%
PERCY STREET INVESTMENTS LIMITED . . . . .	67%
PROPERTY DEVELOPMENT CONSORTIUM LIMITED . . . . .	80%
THREADNEEDLE PROPERTY COMPANY LIMITED . . . . .	65%

#### (Wholly owned subsidiary:

Tudor Properties (Bramhall) Limited)

#### Associated companies:

CURRIE INVESTMENTS LIMITED . . . . .	25%
M.E.P.C. (GLASGOW) LIMITED . . . . .	50%
METROLAIN PROPERTIES LIMITED . . . . .	50%
TOWN HOLDINGS LIMITED . . . . .	50%

### OUTSIDE THE UNITED KINGDOM

#### Incorporated in Canada:

M.E.P.C. CANADIAN PROPERTIES LTD, and subsidiaries  
365 BAY STREET, TORONTO 1. (President: P. A. Anker, F.R.I.C.S.) 69% 

#### Incorporated in the Republic of Ireland:

M.E.P.C. (IRELAND) LIMITED, and subsidiaries . . . . . 90%  
BECTIVE HOUSE, DAWSON STREET, DUBLIN 2  
(Managing Director: A. Kennedy Kisch, M.A.)

*Non-operating subsidiaries and subsidiaries which do not materially affect the profit or the assets of the Group, have been excluded from the above statement.*

